

February 10, 2025

Representative Art De La Cruz Chair, Transportation, Public Works, and Capital Improvement Committee 1800 Elena Cir. SW Suite 327A Albuquerque, NM 87105

Dear Chair De La Cruz and members of the House Transportation, Public Works, and Capital Improvements Committee,

The <u>Autonomous Vehicle Industry Association</u> ("AVIA") writes to express our strong opposition to HB 148, which would effectively ban fully autonomous AV operations in New Mexico for over a decade by requiring a human observer to be physically present in all autonomous vehicles until 2036. Additionally, HB 148 would conflict with established law in New Mexico and impede the continued ability of AV operators to bring the many benefits of AV technology to New Mexico citizens.

By way of background, AVIA is comprised of the world's leading technology, ridesharing, trucking, and automotive companies. Our mission is to realize the benefits of autonomous vehicles (i.e., SAE Levels 4- and 5-capable vehicles equipped with automated driving systems that are capable of driving the vehicle without human intervention) and support the safe and expeditious deployment of these technologies. With its broad array of technical expertise and experience in the technology, automobile, and transportation network sectors, AVIA appreciates the opportunity to engage with the Committee to develop the right solutions that will promote the safe deployment of AVs on New Mexico roads.

HB 148 would prevent New Mexico from realizing the benefits of AVs under its existing framework. For multiple years now, New Mexico has supported AV deployment under a statutory framework authorizing the operation of "autonomous motor vehicles." This framework was developed with significant stakeholder engagement, including through the multiple rulemaking hearings the New Mexico Department of Transportation held on the now-final AV rules. This multi-year process was public and thorough—allowing all stakeholders the opportunity to engage and taking into consideration all input received. As a result, the existing AV framework reflects both stakeholders' and the state's interests. As AV operations expand across the country, this framework has positioned New Mexico to attract the many safety, mobility, and economic benefits of AVs. Unfortunately, by imposing unreasonable restrictions on AV operation including prohibiting fully autonomous solutions until 2036, HB 148 would prevent New Mexico from reaping these benefits.

HB 148 would effectively ban AV trucking operations in perpetuity. In addition to requiring a human operator to remain in *all* AVs for over a decade, HB 148 would effectively ban AV trucking deployment. By prohibiting autonomous CMV operations "until and unless" operations for purposes other than testing are approved by the National Highway Traffic Safety Administration ("NHSA"), the bill would permanently prevent the deployment of autonomous trucks. While NHTSA is responsible for establishing national safety standards for all vehicles–standards which also apply to autonomous vehicles–it does not pre-authorize certain types of autonomous vehicle operations, particularly those involving interstate trucking.

HB 148 would cause New Mexico to fall behind other states on AV innovation. The majority of states recognize the many benefits of AVs and authorize driverless AV operations, including autonomous trucks. No state that authorizes AV deployment requires a human observer to remain in the vehicle. If New Mexico were to move forward with this bill, it would become a national outlier rather than a leader in AV innovation.

AVs will support road safety. AVs have tremendous safety, mobility, and efficiency benefits, and the ongoing deployment of AVs is demonstrating how AVs will save lives and change the way we move. Since the development of New Mexico's AV framework, AV technology has since been tested and deployed in states across the country, including in New Mexico, and maintains an incredible safety record. According to NHTSA, over 40,000 traffic deaths occurred in 2023–over 100 fatalities per day–and New Mexico saw 407 traffic fatalities in 2023. These fatality numbers reveal a pattern of increasingly unsafe driving that is occurring in New Mexico and across the country, and they reflect an unacceptable status quo when it comes to safety on our roadways. Unlike human drivers, AVs do not drive impaired, text while driving, fall asleep at the wheel, or recklessly speed. Moreover, AVs have built a significant safety record through more than a dozen years of development and deployment, with vehicles operated by AVIA members having driven more than 70 million autonomous miles on U.S. public roads alone. This safety record is supported by data collected by the federal government, which requires AV companies to report incidents—no matter how minor or who caused the incident—that occur while an automated driving system is engaged.

Autonomous trucks can mitigate supply chain challenges. Autonomous trucks will also alleviate supply chain challenges and augment the current truck driver workforce. Federal government data estimates that U.S. freight volume will increase 50% by 2050. At the same time, there is a shortage of truck drivers to move this freight and the problem is set to get worse. Unfortunately, the U.S. trucking industry is currently short of an estimated 78,000 truck drivers due to a long-term decline in new drivers entering the profession, and an annual turnover rate exceeding 90%. The truck driver shortage is estimated to reach 160,000 in 2031. New Mexico must find ways to move *more* freight with *fewer* truck drivers to do it. The United States needs truck drivers, and autonomous trucks can help augment the workforce to help solve supply chain challenges for New Mexico.

The autonomous vehicle industry is creating new, high-quality jobs. The AV industry is also leveraging the existing workforce to create new roles for different education and skill levels. Many of the jobs created do not require a college degree, such as service technicians, remote assistance operators, mapping data collectors, delivery packers, and more. Workers with experience in the trucking industry specifically, particularly as truck drivers, offer valuable skills to AV trucking employers. In addition, according to a study funded by the U.S. Department of Transportation and Federal Highway Administration, automating long-haul trucking will spur \$111 billion in aggregate investment spending across the U.S. economy, increase total U.S. employment by 26,400 to 35,100 jobs per year on average, and raise annual earnings for all U.S. workers by more than \$200 per worker per year.

AVs will bring economic and environmental benefits. In addition to offering safety, mobility, and workforce benefits, AVs are well positioned to reduce traffic congestion, improve environmental quality, and advance transportation efficiency. In particular, autonomous heavy-duty vehicles that operate in interstate commerce will increase the safety and efficiency of freight movement. According to a study funded by the U.S. Department of Transportation and Federal Highway Administration, automating long-haul trucking will spur \$111 billion in aggregate investment spending across the U.S. economy, increase total U.S. employment by 26,400 to 35,100 jobs per year on average, and raise annual earnings for all U.S. workers by more than \$200 per worker per year. AV technology also presents an array of environmental benefits, including greater fuel efficiency, more efficient use of physical infrastructure, reduced congestion, and reduced agricultural spoilage and related preservation of soil and water resources. Moreover, autonomous long-haul trucking has the potential to broadly benefit the economy by improving the efficiency of countless industries that rely on moving goods on trucks, such as agriculture, retail, and manufacturing.

AVs will usher in a new era of mobility that will make New Mexico's transportation system safer and more efficient. We strongly believe New Mexico should support safety-enhancing policies without foreclosing a future with AVs. For the reasons described above, we respectfully strongly oppose HB 148.

Sincerely,

Jeff Farrah Chief Executive Officer Autonomous Vehicle Industry Association